



ARIZONA DEPARTMENT OF ECONOMIC SECURITY

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Janet Napolitano
Governor

Tracy L. Wareing
Director

January 1, 2008

Dear Arizonans:

As the Director of Arizona's premier human service agency, it is my pleasure to share with you the Arizona Department of Economic Security (DES) State Fiscal Year 2009-2013 Five Year Strategic Plan. This plan encompasses the integrated and innovative approach to human services that is inherent to DES and represents the overall direction the Department will be taking over the next five years. It has been developed within the context of the opportunities and challenges in the human services environment and builds upon the exciting widespread successes DES is experiencing across the vast array of critical and essential services being provided in concert with Arizona's communities.

In recognition of the complex interconnectedness and interdependence all of us have to our families and to our communities, DES has intertwined these principles throughout this strategic plan, and they are reflected within the agency's three overarching goals: strengthening individuals and families, increasing self-sufficiency, and developing the capacity of communities. These goals are being carried out in the daily work of Department staff and community partners who are instrumental in both the development and implementation of how DES is charting its course.

The Department holds itself accountable for measurable progress and gauges success through the positive outcomes in the lives of families DES serves and milestones achieved in the three goal areas. During state fiscal year 2007, the Department has clearly demonstrated these positive outcomes along with continuous improvement. Significant accomplishments include: dramatic increases in the provision of in-home services for children in families involved in the child welfare system; implementation of the Grandparent Kinship Care subsidy, which provides supports to grandparents caring for their grandchildren; record amounts of child support collections; and moving more and more families from Cash Assistance to employment. In addition, through the support of the Governor and Legislature and the efforts of DES provider partners, fiscal year 2007 was the first year in which a victim of domestic violence looking for emergency shelter was more likely to find it than to be turned away, a dramatic improvement from prior years when as many as two-thirds of domestic violence victims requesting shelter were turned away due to a lack of available space. DES also continues to be upheld nationally as exemplary at providing supports and services to individuals with disabilities in their homes and communities rather than institutional settings.

In carrying this positive momentum forward, I would like to personally thank all DES staff and our many community partners for your tireless dedication and hard work in helping the individuals and families the Department serves to achieve the best possible outcomes. I look forward to our continued work together as we move forward in collaboration to accomplish the goals set forth in this strategic plan and continue to make a positive difference as we promote the safety, well-being, and self-sufficiency of Arizona's vulnerable children, adults, and families.

Sincerely,

Tracy L. Wareing
Director

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VISION AND MISSION

Vision

**Every child, adult, and family in the state of Arizona
will be safe and economically secure.**

Mission

**The Arizona Department of Economic Security
promotes the safety, well-being, and self-sufficiency of
children, adults, and families.**

VALUES

As Arizona's human service agency, the Department of Economic Security adheres to values that are foundational to carrying out its mission to promote the safety, well-being, and self-sufficiency of children, adults, and families. These values guide and permeate our work, help stretch our thinking, and are intrinsic to how we conduct ourselves as individuals and as a state agency.

- **Respect:** We respect each other, stakeholders, customers, and staff, and the differences and uniqueness of each. Honesty, trust, and integrity are hallmarks. We treat all with equality and professionalism, recognizing that each individual, family, and community has its priorities, opportunities, and challenges that must be considered.
- **Diversity:** We strive to make decisions based on equity and fairness. We value the diversity of people – of our staff, our communities and the people we serve.
- **Collaboration:** Partnerships and teamwork are paramount and integral to how we do business. We engage in collaboration with policymakers, service providers, community providers, tribes, and families to develop programs and provide services that improve the quality of life in Arizona's communities.
- **Accountability:** We are accountable to ourselves, our clients, partners, and coworkers, taking responsibility in all relationships. We continually examine actions and outcomes and strive to learn from each. We meet commitments and provide quality services.
- **Innovation:** We engage in visionary and strategic thinking and creative problem-solving focused on our vision and mission, bringing new ideas to fruition. We are solution-oriented. We challenge the status quo, are open to new ways of doing things, and continuously draw upon multiple and diverse sources for ideas and inspiration.

GUIDING PRINCIPLES

Systems of care must:

- be customer and family driven
- be effectively integrated
- protect the rights of families and individuals
- allow smooth transitions between programs
- build community capacity to serve families and individuals
- emphasize prevention and early intervention
- respect customers, partners, and fellow employees

Services must be:

- evaluated for outcomes
- coordinated across systems
- personalized to meet the needs of families and individuals
- accessible, accountable, and comprehensive
- culturally and linguistically appropriate and respectful
- strength-based and delivered in the least intrusive manner

Leaders must:

- value our employees
- lead by example
- partner with communities
- be inclusive in decision making
- ensure staff are trained and supported to do their jobs

EXECUTIVE SUMMARY

The Department of Economic Security (DES) is an integrated human services agency that provides critical protective and assistance services to more than one million of Arizona's children, adults and families each year.

Together, DES' programs impact the safety, well-being and self-sufficiency of Arizonans. Some of these programs include: Child Protective Services; services to provide families the tools they need to care for their children; child care for working parents; Adult Protective Services; domestic violence shelter and supports; early intervention services for infants and toddlers at risk of developmental delays; home- and community-based services for individuals with developmental disabilities and the aged; independent living programs for both seniors and young adults; unemployment insurance; employment assistance (including vocational rehabilitation and job training); child support enforcement; temporary financial support; food and energy assistance; and eligibility for medical assistance. DES works closely with a network of community organizations and providers, as well as federal agencies that oversee Department programs, other state agencies, and Native American tribes in the delivery of services to the citizens of Arizona.

In response to an evolving and sometimes rapidly changing demographic, economic, and social environment, DES has evolved to meet the changing times and an ever-increasing demand for services to fulfill its mission to promote the safety, well-being, and self-sufficiency of Arizona's children, adults, and families. The Department seeks to develop and implement the highest quality human service programs with the most effective and efficient service delivery systems. Collaboration, innovation, and accountability are intrinsic to the Department's operations.

The work of the Department is based on the foundation of the vision, mission, values and guiding principles, with goals and strategies aligned with these elements to ensure that the desired performance outcomes are attained. The Department's objective is to move beyond simply delivering services and to place greater focus on helping families gain the tools they need to effectively and permanently escape the hardships of poverty and other barriers that currently prevent them from being self-sufficient. While some situations warrant more intensive and longer-term involvement between DES and families, the Department's primary focus is to prevent dependence and, where possible, provide short-term, less intrusive services and supports that help the individual or family take ownership of their own success.

DES' integrated approach to doing business and the Department's collaboration with families, community partners, and other government entities provide greater accountability across the agency and generate a more efficient and comprehensive way of delivering services. On many occasions, DES staff and programs are the first contact families have with service providers when seeking help for their issues. The Department often serves as a triage point, working with families to identify their needs and strengths, which will determine the course of their service plan.

These are exciting times at DES. Recent years have seen a unique expansion in the concept of integrated services, sparking a new era of collaboration among families, community partners, and the Department. While it is critical that the individual units within the organization continue to meet state and federal mandates and performance measures, the work across the Department is to be considered as an integrated whole, directed at improving outcomes for children, families, and individuals in this state.

The DES Vision is that *every child, adult and family in the State of Arizona will be safe and economically secure.*

The Department strives to achieve this through its Mission to *promote the safety, well-being, and self-sufficiency of children, adults, and families.*

There are five core values that form the basis for the work that DES does in the fulfillment of its mission: respect, diversity, collaboration, accountability, and innovation. These values serve several purposes and are applied in the daily work across DES.

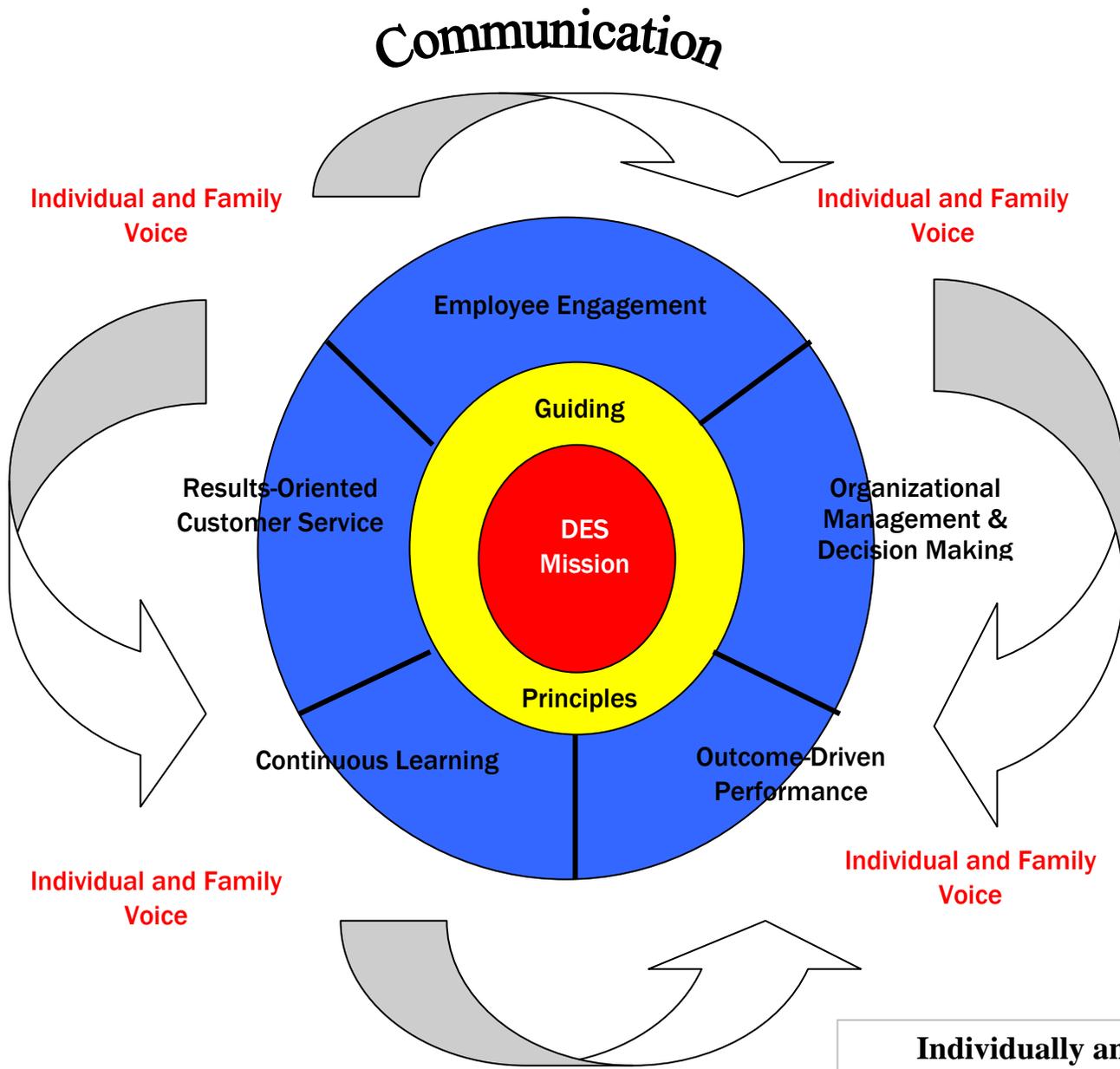
Based on the Department's vision and mission and true to the values and guiding principles, the following three overarching, interrelated goals have been established, which are designed to improve outcomes for children, families, and individuals in Arizona.

- Strengthen individuals and families
- Increase self-sufficiency
- Develop the capacity of communities

As an acceleration of DES' ongoing efforts to improve the way it does business, the Department has created a Business Model, built around service integration concepts and practices, that lays the foundation for the next five years of the Department's work. This work requires a collective approach, rigorous dialogue, leadership at all levels of the organization, and clear communication about purpose and direction.

The adoption of the new Business Model, as depicted in the following diagram, is continually evolving and is resulting in overall improved outcomes for families.

DES BUSINESS MODEL BLUEPRINT



Individually and collectively, DES is committed to our values:

- Respect**
- Diversity**
- Collaboration**
- Accountability**
- Innovation**

Based on the Department's vision and mission and in collaboration with community partners, the following major areas of focus, or sectors, of the Business Model have been identified to help move the Department forward in furthering the agency goals.

- Organizational Management and Decision Making
- Outcome-Driven Performance
- Continuous Learning
- Results-Oriented Customer Service
- Employee Engagement

In addition to these key sectors of the Business Model, the concepts of Communication and Individual and Family Voice must be represented in all aspects of DES' work. Communication is woven throughout each sector and is critical to the Department's success. Creating opportunities for individual and family voice to be heard and accounted for is a continuous effort, also interwoven in each area of the Business Model. Department leadership has developed specific strategies and action steps within each sector of the Business Model.

The Department continues to build on successes, expand the spectrum of services provided, and find and implement even more effective ways to assist the people of Arizona. The Department's focus on service integration and expansion of these concepts and practices in recent years has resulted in an increased emphasis on partnerships at both governmental and community levels. DES regularly coordinates with many governmental entities at the local, state, and national level. In addition, partnerships at the community level incorporate coordination with numerous councils, coalitions, advocacy bodies, associations, and community human service organizations, which also offer feedback to the Department on improving service delivery and approaches. This coordination ensures that complementary services are provided in the most efficient and effective manner.

The DES Strategic Plan focuses on the breadth of DES' programs to identify overarching Department priorities and major initiatives. The Plan serves as the framework for ongoing budgeting and planning prioritization, as well as consolidates and reflects the critical and often interrelated issues facing the Department. To chart forward movement based on a foundation of integrated services, the plan sets forth goals and strategies for addressing those issues and attaining the desired outcomes. This plan is a living, evolving document and will be modified and adapted to respond to shifting environmental factors and the needs of the individuals and families DES serves.

The following are highlights from the SFY 2009-2013 Five Year Strategic Plan:

Goal 1: Strengthen Individuals and Families

The safety and well-being of vulnerable children, adults, and families are inherent to the Department's vision and mission. DES, in collaboration with its family and community partners, provides services and supports to vulnerable populations (e.g., children at risk of abuse and neglect, older and at-risk adults, individuals with disabilities, homeless individuals, refugees, and victims of domestic violence). Building on the strengths and support systems available in families and communities, DES provides immediate services and support through an integrated service network to enhance the safety and well-being of these vulnerable populations throughout Arizona. By focusing on an integrated array of services, DES actively involves families and communities in the daily work across DES. Notable examples of some of DES' successful outcomes to strengthen individuals and families include significant increases in providing in-home services for more than 15,000 children in families involved, or at risk of becoming involved, in the child welfare system, as well as the creation of the Grandparent Kinship Care subsidy, which provides modest financial assistance to support grandparents caring for their grandchildren. Through a partnership with the Area Agencies on Aging to administer the program, assistance has been provided for more than 1,700 children.

Goal 2: Increase Self-Sufficiency

For individuals and families to escape the hardships of poverty and meet their basic needs, they require certain skills and supports to help them find and keep a job. By focusing on the "bigger picture", DES' close relationship with community organizations and resources, and the integration of a spectrum of services both within and outside the agency, DES works to provide or assist in finding those services required to meet individuals' and families' needs. Individuals are provided the tools to not only increase their employability, but are empowered to take ownership of their success as well. Department services aim to move clients from just "getting by" to "getting ahead." Recent significant reductions in the Cash Assistance caseload, achieved by moving families from Cash Assistance to employment, exemplify the success of these strategies. The Department also provides employment-related support services to increase self-sufficiency for older adults, veterans, individuals with disabilities, refugees, and youth who have aged out of foster care. In addition, programs such as Unemployment Insurance, Child Support, Food Stamps, Child Care, and Medical Assistance eligibility provide important services and supports to help individuals and families increase self-sufficiency.

Goal 3: Develop the Capacity of Communities

DES' integrated, family- and community-centered services are assisting Arizonans in achieving permanency, stability, and overall well-being. Strategies for this goal reflect the Department's service integration business practices, blending the strengths of DES staff, community partners, families, and individuals to improve outcomes for clients and to reduce the number of vulnerable children, adults, and families in need of DES services. By identifying people at risk for poverty, abuse, homelessness, and dependence, prevention and early intervention services and supports can be provided to mitigate the need for more intensive intervention or remedial services. Substantial reductions are being achieved in the number of children, especially young children, placed in group homes and shelters. In addition, the Department holds the #1 position as "Best in the Nation" for assisting people with developmental disabilities to live independently or with their families.

DES services have a direct, positive impact on the lives of children, adults, and families in Arizona by providing protective services for vulnerable children and adults, helping families meet their basic needs for food and shelter, providing parents the skills and supports they need to find and keep a job, assisting individuals with disabilities by providing training and services that foster independence, and partnering with communities throughout Arizona to support families in their neighborhoods. Ultimately, the Department's desired outcomes include that children, adults, and families will be safer in their homes and communities and living in the least restrictive setting, clients will see improvements in economic self-sufficiency, and there will be a reduction in families' reliance on government programs.

Over the next five years, the DES Strategic Plan projects where the Department will go and how it will get there by integrating and delivering quality, effective, and efficient human services. Above all, the plan highlights how the Department will continue to administer human services for Arizonans, while carrying out its mission to promote the safety, well-being, and self-sufficiency for those served by DES — the children, adults, and families of Arizona.

DEPARTMENT GOALS

Goal 1: Strengthen Individuals and Families

Goal 2: Increase Self-Sufficiency

Goal 3: Develop the Capacity of Communities

GOAL 1

Strengthen Individuals and Families

Goal Focus

All children, families, and adults deserve to reside in the least restrictive and safest environment with appropriate support services. The safety and well-being of vulnerable children, adults, and families in need of the agency's protective and support services is crucial.

These vulnerable populations include children and families involved with the Child and Adult Protective Services systems, individuals seeking one-time supports, individuals with disabilities, older and at-risk adults, refugees, homeless individuals, and victims of domestic violence.

DES' priorities focus on a holistic, inclusive approach embracing the strengths individuals and families bring to the table and leveraging these to improve other areas they struggle with. Providing an array of services, integrated across Department programs and with other state agencies and community partners to best meet the needs of the client (especially those with multiple needs), will result in strengthening Arizona's individuals and families by assisting them in achieving self-sufficiency, safety, and overall well-being.

Desired Outcomes:

- Children growing up in nurturing family environments
- Vulnerable individuals, families, and children living in safe environments
- Communities actively involved in promoting the safety and well-being of vulnerable children and families
- Increased quality of life through receipt of needed consumer-directed, individual and family-centered support services

Strategies:

1. *Create and implement comprehensive approaches to meet the needs of persons with disabilities, the state's aging population, persons reported to Child and Adult Protective Services, victims of domestic violence, refugees, and individuals and families who are homeless.*
2. *Build on the strengths and support systems available in families and communities.*
3. *Identify those at risk for poverty, abuse, and homelessness, and children and adults with disabilities, for early intervention.*
4. *Provide preventive and remedial services and support through an integrated service network.*
5. *Assist older and at-risk adults and individuals with a disability to live independently.*
6. *Develop and implement tribal partnerships to jointly provide integrated services to strengthen individuals and families.*
7. *Maintain the Child Protective Services and Adult Protective Services response rates at 100%.*

8. *Safely reduce the number of children entering the foster care system and the number of children who are in the foster care system by developing safe alternatives.*
9. *Safely reduce the number of children in congregate care and place children in family-like settings (kinship care and family foster homes).*
10. *Provide supports for kinship families.*
11. *Increase the number of children in foster care achieving permanency through family reunification, placement with other relatives, adoption, or legal guardianship.*

GOAL 2

Increase Self-Sufficiency

Goal Focus

The lack of economic security among Arizona's vulnerable populations puts them at risk of needing more intensive services and intervention to improve their overall quality of life.

In order to have long-range as well as short-term outcomes in the lives of those the Department serves, DES works to increase self-sufficiency through enhancing employability and providing employment supports to mitigate risk factors associated with the need for agency services. The Department focuses on giving families the tools and motivation they need to effectively and permanently escape the hardships of poverty.

Although the Department monitors indicators of success in all program areas, a primary focus for promoting economic self-sufficiency is reducing the Cash Assistance caseload. DES also strives to assist other vulnerable individuals to attain employment to the extent of their capabilities, such as older adults, veterans, individuals with disabilities, refugees, and youth who have aged out of foster care. In addition, programs such as Unemployment Insurance, Child Support, Food Stamps, Child Care, and Medical Assistance eligibility provide important services and supports to vulnerable individuals and families.

Desired Outcomes:

- Individuals and families who meet their basic needs for food and housing
- Parents with the skills and support needed to find and keep a job
- Increased self-sufficiency, economic stability, and quality of life through employment
- Increased utilization of natural supports and community resources, resulting in less dependence on government programs

Strategies:

1. *Work closely with the business community to identify opportunities for employing at-risk individuals.*
2. *Provide employment-related services and assistance supports to vulnerable populations, such as older adults, individuals with disabilities, refugees, veterans, economically disadvantaged youth and adults, and youth who have aged out of foster care.*
3. *Collaborate with the tribal communities and identify strengths and barriers while establishing and providing opportunities to achieve self-sufficiency for individuals and for the tribe.*
4. *Increase the number of individuals with disabilities successfully placed in meaningful work.*
5. *Reduce the number of families on Cash Assistance by increasing self-sufficiency through increased employment placements and receipt of child support income.*
6. *Increase the number of clients who are diverted from Cash Assistance by providing appropriate employment-related supportive services.*

7. *Refer Cash Assistance clients to subsidized child care to ensure full participation in employment-related activities.*
8. *Increase the number of kinship caregivers (those caring for youth in out-of-home placements) who receive Cash Assistance benefits to support the child.*
9. *Increase the number of certified family child care providers so parents have more child care options.*
10. *Increase child support collections.*

GOAL 3

Develop the Capacity of Communities

Goal Focus

Stable social and family relationships and living environments are essential for children, adults, and families. DES' integrated, family- and community-centered services are assisting Arizonans in achieving permanency, stability, and overall well-being through stable living arrangements in the least restrictive settings within their families and communities. DES' integrated services incorporate both systemic and community-based strategies that expand agency and community capacity to serve families and individuals more expansively.

In order to carry out its mission, the Department recognizes the interconnectedness and interdependence between DES services and community resources and that each community is unique and can best identify its assets and needs. DES is committed to enhancing the role of family voice and proactive expansion of community partnerships and collaboration with other state agencies to enhance the delivery of human services and achieve better outcomes for Arizonans.

Desired Outcomes:

- Vulnerable children, adults, and families are able to live safely and in the least restrictive environments
- Enhanced quality of life for children, adults, and families through:
 - Increased stability in family and community relationships and living environments
 - Receipt of needed consumer-directed, individual and family-centered support services
- Communities are actively involved in promoting the safety and well-being of vulnerable individuals and families
- Older adults are able to remain in their communities and avoid the need for institutionalization
- Individuals are engaged in a positive way with their families and communities

Strategies:

1. *Build on the strengths and support systems available in families and communities.*
2. *Provide preventive services and support through an integrated service network.*
3. *Build relationships with Native American communities through cooperation, collaboration, and communication to enhance the quality of life for Native American children, adults, and families.*
4. *Work with Arizona's policymakers to continue to increase provider rates within DES programs and to improve the quality of services provided.*
5. *Work with Arizona's policymakers and communities in providing emergency shelters and transitional housing for victims of domestic violence and homeless individuals and their families.*
6. *Increase the number of licensed foster homes and certified adoptive homes.*

DEPARTMENT STRATEGIC ISSUES

The following areas are some of the current environmental factors in the human services environment that most significantly impact the work of the Department.

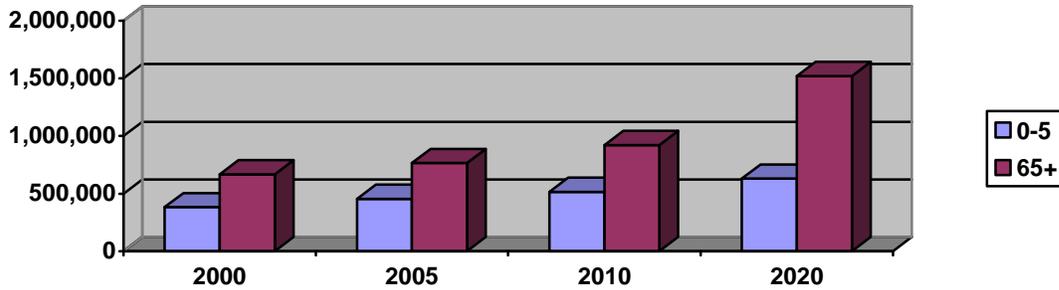
Strategic Issue 1: Population Growth

As reflected in the chart and table below, Arizona is now the fastest-growing state in the nation. State statistics identify several populations that will grow significantly, including the birth-to-five year old population and the number of individuals ages 65 and older.

The number of children in Arizona under five years of age will increase by almost 40 percent by 2020, and there are a number of investments to be made in order to attain the best outcomes for children. Research shows that comprehensive, high-quality care and early learning experiences are linked to children's success in school and in life, and investments in early learning save money by preventing future expenses for remedial education, incarceration, and other public benefits. The Department is working with community partners and with other state agencies to meet the needs of this population. Additionally, the Department remains committed to improving outcomes in the early childhood development field through its work in the Arizona Early Intervention Program and the Child Care Administration's efforts to improve the quality of child care in the state. As Arizona continues to grow, and the number of children under five years of age increases, DES will be required to work with its partners in state government and in the community to assure that these challenges are effectively addressed.

Older adults, ages 65 and over, are the fastest-growing segment of the U.S. population. By 2020, 26 percent of Arizona's population will be over 60 years of age compared to 17 percent in 2003, and for those over 60, the fastest-growing age group is of persons over 85 years of age. As the population ages, Arizona is likely to see an increase in people with medical complications that will limit their ability to live independently. These changes will likely produce a significant increase in demand for long-term care services. At the same time, Arizona's population will have unprecedented numbers of senior citizens as life expectancy edges higher each year. This will require a change in thinking about how to support independence in the elderly population and people with disabilities, recognizing how this will impact all segments of society – not just human services, but also transportation, housing, etc. Additionally, as more and more people have children later in life, there is a growing segment of the population that are raising children at the same time they are taking care of parents. Supports must be put in place for these caregivers and families. This population growth also presents an opportunity for DES, through work with its partners, to develop civic engagement and volunteerism for the senior population.

Arizona Population Growth



Arizona is the Fastest Growing State in the Nation

	4/1/00 Census	7/1/05 Est.	7/1/10 Proj.	7/1/20 Proj.
Total	5,130,632	5,953,007	6,637,381	8,456,448
0-5	382,286	456,001	515,408	630,601
65+	667,839	765,957	922,010	1,520,622

The Department must engage in strategic short-term and long-range planning for this growth, engaging partners in other state agencies such as the Department of Health Services and AHCCCS, as well as local governmental entities, public and private service providers, and communities to help meet the needs of these growing populations.

Strategic Issue 2: Social and Economic Stressors

Numerous factors in today’s changing society, individually and combined, create special challenges in the continuum of human service delivery. These factors have a direct, immediate effect, as well as long-range implications on the volume and array of DES assistance services needed.

In Arizona, more than 14 percent of people live in poverty, and 20 percent of Arizona’s children are living below the federal poverty level. The federal poverty level for a family of four is currently \$20,444. At DES, best practice research on anti-poverty practices is being utilized to develop strategies to meet these challenges. Strategies include expanding knowledge for working families of the federal Earned Income Tax Credit (EITC) and the child care tax credit, helping families with relatives transitioning out of prison to successfully reintegrate back into their home communities, providing training and education for employment through the Jobs program, and strengthening the role of fathers in supporting their families. Additional areas must be addressed through innovative program designs utilizing community partnerships.

Families today face increasingly complex issues. Violence against children continues to be an issue, oftentimes brought on by the compounding effect of multiple risk factors including poverty and substance abuse, thus establishing critical needs for protective, remedial, prevention, and intervention services for children and families. Arizona leadership has recognized that the state faces a methamphetamine crisis. DES has been involved from the start in efforts to respond to this problem, particularly in the areas of prevention, treatment for adults and juveniles, improving access to services throughout the state, and enhancing community efforts to establish Drug Endangered Children (DEC) protocols.

Because the challenges that families face are complex and often interrelated, the strategies and remedies to address them call for a collective effort. The Department continues to look for innovative strategies and to integrate the spectrum of human services both internally and with communities in order to provide and coordinate the most effective services and delivery systems to assist the vulnerable individuals, children and families of Arizona.

Strategic Issue 3: Responsive to the Community

DES and its services are an integral part of the Arizona community. In order to carry out its mission to promote the safety, well-being, and self-sufficiency of Arizona's children, adults, and families, the Department recognizes the interconnectedness and interdependence between DES services and community resources. Strong, mutually beneficial relationships are being forged with a broad range of local community organizations and providers, including private, non-profit, faith-based, and advocacy organizations, as well as other state agencies and Native American tribes.

Working closely with communities throughout Arizona is a top priority for the Department. The Department is committed to continuing to expand and strengthen these relationships by involving community constituencies in strategic planning and resource allocation efforts. DES recognizes that each community is unique and knows best what they need. Not only do communities have the answers, but they also know what questions need to be asked, and DES is committed to listening. The Department is enhancing the role of family voice, community partnerships, tribal relationships, and sister agency collaboration to improve outcomes for Arizona's children and families.

Utilizing the principles of Asset-Based Community Development through the DES Community Network Teams and the Community Development and Family Leadership Workgroup, DES is working to further embed community involvement and capacity building into the work of DES in the community. DES collaborations are involving individuals in the community to build their capacity as leaders. A foundational effort to develop leadership utilizes principles of the Breakthrough Series Collaborative on Service Integration as a fundamental practice of the Department for further embedding the voice of families.

DES is poised to move forward in collaboration with its many community partners to accomplish the goals set forth by the Department. The integrated and innovative approach to human services that is inherent to DES is crucial to developing and incorporating how to best assist the populations DES serves in order to achieve the best possible outcomes for the vulnerable individuals, children, and families of Arizona.

Strategic Issue 4: Federal Funding Reductions

In recent years, the federal government has shifted costs in a number of social services programs to the states, creating additional strains upon the agency and the state's budget. Most recently, DES was detrimentally impacted by the Deficit Reduction Act of 2005, which shifted costs to states for child welfare and child support enforcement services, as well as established new administrative burdens. While thankfully the Governor and the Legislature provided funding to replace most of these cuts in the Department's fiscal year 2008 budget, these investments do not represent an increase in the overall investment in human services programs. Since the state has limited resources, these backfills restrict Arizona's ability to strengthen existing programs or invest in new, innovative services.

Strategic Issue 5: Department Capacity

In order to function as a high performance organization in providing integrated services to individuals and families served by the Department, DES must position itself within the community with a solid foundation grounded in qualified, motivated employees and high-quality business systems, including a sound technological base. These are absolute requisites for doing business in the 21st century. To facilitate integrated services and improved outcomes for children, adults, and families in Arizona, the Department is placing particular focus on workforce planning and information technology improvements.

DES, like many other state agencies, experiences challenges in attracting and retaining a qualified workforce. Recruitment, development and retention of qualified staff are crucial to achieving the Department's vision, mission, and goals. Qualified employees are a good investment to prevent the costs of turnover, retraining, and low morale.

Repositioning the workforce is a major focus of health and human services across the country. While fewer students are electing to enter the social work and related fields, more experienced staff are reaching retirement age. Across Arizona, DES and its partners are advocating for solutions and developing strategies to improve employee recruitment, retention, and training. Arizona can be a national leader in this area through strong partnerships, and DES will continue to address workforce needs in a collaborative way.

State government, like most American businesses, increasingly relies on information technology for the provision of services, financial management, personnel management, and responding to federal and state reporting requirements. The Department requires a sound technological infrastructure to support integrated service delivery, increased demand for services, and E-government expansion to improve access to services and facilitate improved outcomes for children, adults, and families throughout Arizona.

Several information technology systems within the Department are no longer functionally adequate to meet internal and external business needs. DES must invest in improvements and modern, integrated systems.

Beyond addressing specific needs of the human services workforce and information technology, capacity is a key environmental factor in service delivery. Capacity issues include lack of early intervention services, substance abuse treatment, transportation, and other infrastructure issues. In addition, Arizona's smaller and rural communities, while sometimes facing capacity concerns themselves, also present an opportunity for DES engagement and improvement by working together and seeing the smaller size as an advantage.

To address this strategic issue and to help move DES forward as a high-performance organization, twelve department-wide strategies have been identified. These have been structured according to the five areas of focus of the DES Business Model as either foundational – what must take place now to move forward – or as actions that help strengthen the organization. Each action area is reflective of a sector of the Business Model and incorporates proactive communication and individual and family voice.

Strategies Foundational to the Organization:

1. Ensure alignment of the Department's vision, mission, values, and overall goals and engage in disciplined and strategic thinking
2. Develop Executive Leadership
3. Ensure effective Department evaluation
4. Effectively frame issues, aligning all communication with agency vision, mission, values, and overall goals
5. Ensure meaningful engagement of key management and decision-making bodies in DES, such as the Economic Security Advisory Council (ESAC), Executive Leadership, Partners in Action, Change, and Excellence (PACE), District Quality Councils (DQC), Native American Advisory Council, etc.

Strategies that Strengthen the Organization:

1. Enhance the role of family voice, community partnerships, tribal relationships, and sister agency collaboration to improve outcomes for Arizona's children and families
2. Engage in continuous improvement of staff by aligning employee performance expectations with organizational values and expected results
3. Continuous improvement of customer service
4. Ensure a quality workforce
5. Enhance training and supports for supervisors
6. Improve technology to support agency goals
7. Provide a quality physical work environment that furthers the mission of the agency

The Department recognizes the complexity of these issues and is utilizing these factors in planning for both current and future service delivery. DES is moving forward to address the opportunities and challenges, in collaboration with its many community partners, and gauges its success against the measuring line of the Department goals to strengthen individuals and families, increase self-sufficiency, and develop the capacity of communities. This requires rigorous dialogue, leadership at all levels of the organization, and clear communication about purpose and direction. DES continues to leverage its integrated and innovative approach to human services by developing and incorporating how to best assist the populations DES serves in order to achieve the best possible outcomes for the vulnerable individuals, children, and families of Arizona.

DEPARTMENT RESOURCE ASSUMPTIONS

Agency Incremental Costs for All Funds

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
FTE	705.1	980.0	1,058.4	1,143.0	1,234.5
General Funds	127,898.2	73,778.8	79,681.1	86,055.6	92,940.0
Other Appropriated Funds	(2,332.1)	36,822.3	39,768.1	42,949.5	46,385.5
Other Non-Appropriated Funds	62,219.8	72,066.5	77,831.8	84,058.4	90,783.1
Federal Non-Appropriated Funds	30,259.9	100,383.0	108,413.6	117,086.7	126,453.7
Total	218,045.8	283,050.6	305,694.6	330,150.2	356,562.3

Funding Amounts in Thousands

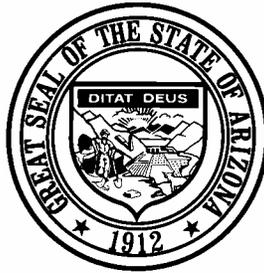
RESOURCE ASSUMPTIONS SUMMARIES

Agency Funding Total for All Funds

(Sum of Incremental Costs for Addressing Goals and the Base for Each Year)

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
FTE	11,544.5	12,954.7	14,209.5	15,346.3	16,574.0	17,899.9
General Funds	794,336.4	1,050,132.8	1,069,792.1	1,155,375.5	1,247,805.5	1,347,630.0
Other Appropriated Funds	462,610.6	457,946.4	533,923.1	576,636.9	622,767.9	672,589.3
Other Non-Appropriated Funds	839,246.1	963,051.3	1,044,964.5	1,128,561.7	1,218,846.6	1,316,354.4
Federal Non-Appropriated Funds	1,223,893.1	1,285,047.3	1,455,553.4	1,571,997.7	1,697,757.5	1,833,578.1
Aggregate Agency Level Total	3,320,086.2	3,756,177.8	4,104,233.1	4,432,571.8	4,787,177.5	5,170,151.8

Funding Amounts in Thousands



DES Web Site - www.azdes.gov

Equal Opportunity Employer/Program

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